

Memo

To: Common Council Members & Department Heads
From: Dan Wietecha, City Administrator and Lisa Novinska, Finance Director
Date: October 7, 2008
Re: 2009 Proposed City Operating Budget

2009 Proposed City Operating Budget

To begin the process of the 2009 budget, the 2008 budget was taken and a 2% increase was added. Individual line items were then adjusted based on contracts, Department Heads, and Administration input. The health insurance expense line item increased by 7.72% for family coverage and 8.24% for single coverage. As you review the proposed operating budget, please note the following:

Revenues

Taxes –General Property Tax is unknown at this time. The 2% increase is the automatic increase. There is a new line item, Room Tax, which is the room tax from the new hotel. This \$20,000 revenue has an offset expense under Economic Development for marketing.

Intergovernmental Revenue –There is a reduction to the State Expend Restraint revenue by 20%. Evansville's portion is expected to be a lower amount because of more requests for this revenue statewide.

Fines & Forfeitures–Court Penalties & Costs were increased by 19% and Parking Violations were increased 16% based on 2007 actual and 2008 YTD annualized.

Public Charges for Service–Vehicle Registration Agent Fee decreased based on 2008 YTD annualized. Ref/Recyc Spec Charge Revenue increased 5.09% to cover fuel surcharge from Veolia. This is based on \$114 per year assessment. Swimming Pool Revenue increased 5.77% based on 2007 actual and 2008 YTD annualized. Rates for residents vs. non-residents are being reviewed.

Miscellaneous Revenue – A new account has been added, Stormwater Utility Overhead Revenue. This transfer to general fund for \$5,000 is to cover the staff time at City Hall for maintaining the Stormwater Utility fund. Rent of City Bldgs & Office will increase due to EMS move to Community Center and W&L possible increase in office space rent.

Other Financing Sources – Transfer from Library Fund decreased to \$851 based on the payback arrangement with 2009 being the final year. The City does not receive overhead revenue support from the Library Fund.

Expenses

Municipal Court – Muni Court Salary increase is due to a request for a \$1,200 per year increases for both the Judge and Support Staff person. Muni Ct Jail Confinement Fee has also increased. 2008 was based on 100 days at \$30 per day and 2009 is based on 120 days at \$52 per day. Rock County Sheriff Department did a cost analysis which showed the actual cost to be \$64 per day but is only charging \$52 for 2009.

Legal Services – Legal Services General were decreased by 50%. Legal Services Muni Court increased to \$20,000.

Clerk – The Clerk area has been combined with Finance so all City Hall Office Staff will be in one area.

Assessor – Assessor Services decreased to match contract amount.

Finance – All show an increase due to Clerk area being moved to Finance.

Police Department – Police Salary has an increase of 6.58%. Two new accounts have been added, Accreditation and Records Archive Expense each for \$1,000.

Fire District – A new account has been added, Fire District Contrib-Intergov. The revenue has been budgeted in the past, but not the expense side. The City receives this revenue and then issues payment to the Fire District. Fire District Contribution has increased 59.36% to cover the City's portion of the new fire station. See attached Fire District Budget.

Public Works – DPW Salary decreased for the portion moved to Stormwater Utility Fund. DPW Office Supplies & Exp decreased. A new account, DPW Vehicle Fuel, has been added. The expense has been moved from Office Supplies to Fuel account. DPW Utilities has decreased. A new account, DPW Telephone/Internet, has been added. The expense has been moved from Utilities to Telephone.

Recycling & Disposal – Recycling Salary has decreased for the portion moved to Stormwater Utility Fund. Recycling & Refuse Collection has increased 6.58% due to fuel surcharge from Veolia.

Senior Citizens Transportation & Senior Citizens Program have been put under one header, Senior Citizens Program.

Youth Center – (formally Dean Community Center) Youth Center Serv Contract 2009 request increased 8.1%. A new account has been added, Youth Center Repairs & Maintenance which has a budget amount of \$3,994.

Economic Development – A new account has been added, Economic Development Marketing, to offset the new Room Tax revenue.

Proposed General Fund Budget currently has a negative balance. Increase revenue or a decrease expenses by \$116,420.

EMS – EMS Med Supplies & Equip has increased 12.5% due to the cost of supplies increasing from vendors. EMS Ambulance Fuel has increased 20%. A new account has been added, EMS Utilities. This is due to the move to the new building. Utilities will no longer be included in the rent. EMS Building Rent will be increased to \$12,500 per year due to move to new building. The rent will include repairs and maintenance to the building. Medicare/Medicaid Write Offs has been increased.

Library – Library Salaries increased 4.11%. Library Building Maintenance has been combined with Bldg Maintenance & Repair. Library is not balanced, need to increase revenue or decrease expenses for cover deficit.

Cemetery – Cemetery Salary has decreased to match the actual. A couple years ago, the Cemetery went from 1 full-time and 3 part-time staff to 1 full-time and 2 part-time staff. The budget had not been adjusted for this change. Cemetery Maint Exp increased 24.65%. The Cemetery is not balanced, increase revenue or decrease expense.

Sanitary Sewer/WWTP Fund – Fees will be reviewed. San Sewer Maint & Repairs has a budget of \$30,000 for 2009. WWTP Repairs has been decreased due to the construction of a new WWTP.

Stormwater Utility – This is a new fund for 2009

Water & Light – Operating Salaries have been adjusted to better match actual based on 2007 actual and 2008 annualized. Purchase Power has increased 10% based on estimates from WPPI. The analysis is based on demand and wholesale costs.